(d) if so, the reasons therefor; and

(e) the steps being taken to correct the situation on both the counts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) 2306 applications were filed before the Settlement Commission during the period 1994-95 to 1998-99. Prior to this period the pendency was 2369 applications. During the period 2782 applications were disposed. 1893 applications were pending for disposal as on 31-3-1999.

(b) As on 1.4.2001, there were 1608 cases pending for final disposal.

(c) and (d) The reason for delay include delayed reports from the filed formations of the Income-tax Department and request by the applicant for adjournment of cases fixed for hearing.

(e) The Commission has taken following steps for settlement of cases:

(i) holding meetings with the concerned Chief Commissioner of Income-tax to expedite the Reports.

(ii) Camping by Benches of the Commission at different stations; and

(iii) Reallocating the work among the four Benches of the Commission to increase disposal.

Income-tax Returns of Trusts and Institutes

2967. SHRI S. RAMACHANDRAN PILLAI: Will the Minister of FINANCE be pleased to state:

(a) what is the percentage of the trusts and institutions which are not filing income tax returns;

(b) whether the irregular grant of exemptions resulting in short levy of income tax of Rs. 743 lakh in 28 cases in four metro cities in the year 1998-99 has been noticed;

(c) if so, the reasons therefor; and

(d) the steps being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) Income tax returns are filed with field formations. No information regarding defaulting trusts and institutions is centrally maintained in the Department.

(b) C and AG in their Report No. 12 A of 2001 for March ending 2000, have pointed out audit observations in 28 cases of Trusts and Institutes from four metropolitan cities, where, according to them, there is short levy of tax of Rs. 742.93 lakhs. The Report of C and AG is being examined in the CBDT with a view to give parawise reply to C and AG to determine correctness as otherwise of the aforesaid audit observations. Final figures of number of cases of Trust and Institutes involving short levy of tax or the amount of tax effect involved in such cases can be determined only after such examinations by the CBDT and after interactions with the C and AG.

(c) According to C and AG, reasons for such cases of short levy of tax are mistakes in the applications of law, incorrect allowances, deductions and exemptions under the provisions of IT Act.

(d) CBDT has already issued instructions to the Assessing Officers/ field Formations to take due care in assessment and to avoid mistakes. There is also a monitoring system where the ledger cards are issued and their explanations are called for where they are found to have committed such mistakes. DIT(Audit) has also issued instructions and checklist for the guidance of the Assessing Officers.

Restructuring of Income Tax, Customs and Excise Services

2968. SHRI RAJNATH SINGH 'SURYA': Will the Minister of FINANCE be pleased to state:

(a) whether a massive restructuring was undertaken in the revenue services;

(b) if so, whether it has been completed for both Customs and Excise as well as Income Tax sides;

(c) whether restructuring yielded the desired result; and

(d) if not, the reasons therefor?